BRITISH COLUMBIA

BC STATS

Service BC
Ministry of Labour & Citizens' Services

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 07-14 April 5th, 2007

- **Unemployment rate falls to a new low of 3.9% in March**
- **High tech sector employs more than 70,000 people, but posts slower-than-average growth in 2005**
- **Room revenues fall in December, largely due to weakness in Mainland/Southwest**

Labour Force

- **British Columbia's unemployment rate fell to a new low of 3.9% (*seasonally adjusted*) in March, as job growth (+0.6%) continued to outpace the increase in the number of people who were either working or looking for work (+0.4%).** BC's net gain of 12,500 jobs in March was second only to that in Quebec, where an additional 29,200 people (+0.8%) found work last month. Although Alberta (3.6%) continued to have the lowest jobless rate in the country, its unemployment rate is starting to creep up.

  Canada's unemployment rate was unchanged at 6.1% in March as employment (+0.3%) and the labour force (+0.4%) grew at similar rates. BC, Saskatchewan (-0.2 percentage points, to 3.8%) and Quebec (-0.2 points, to 7.6%) were the only provinces to see an improvement in the jobless rate last month. *Data Source: Statistics Canada*

- **Job growth in BC's goods industries resumed in March, bouncing back (+1.9%, *seasonally adjusted*) after slumping (-1.9%) in the previous month.** The growth was concentrated in just two industries: construction (+2.4%) and manufacturing, which posted a substantial 5.3% increase. Other goods industries did not fare as well.

  Employment gains in the service sector were modest (+0.2%), as five industries, including retail & wholesale trade (-1.1%) and transportation & warehousing (-4.3) pared down their workforce. At the same time, finance, insurance & real estate took on more workers (+6.6%), and a significant increase was also seen in information, culture & recreation services (+6.3%). Health care (+2.2%), education (+1.9%) and public administration (+0.9%) also expanded their work force. *Data Source: Statistics Canada*

- **Public sector employment advanced 1.1% (*seasonally adjusted*), while the number of people working in the private sector rose 0.3%.** Self-employment was up 0.8% in March. Part-time workers made big gains (+3.5%), but there were fewer people with full-time jobs (-0.2%).

  The youth (aged 15 to 24) unemployment rate dropped to 7.3%, the second-lowest level in more than 30 years (the rate had reached 6.7% in November 2005). For more experienced workers (aged 25 and over), the jobless rate was a very low 3.2%. *Data Source: Statistics Canada*

- **Jobless rates in most regions of the province were below March 2006 levels.** Northeast (3.2%[1], *3-month moving average, unadjusted*) and Mainland/Southwest (3.8%) had the lowest jobless rates. The incidence of unemployment in most other parts of the province was between five and six percent. North Coast/Nechako was the only region that stood out from the rest of the province, with a substantially higher unemployment rate of 8.3%. *Data Source: Statistics Canada*

High Technology

- **British Columbia's high technology sector advanced 2.4% in 2005, a somewhat slower pace than the increase for all industries in the province (+3.4%).** This was just the second time in eight years in which the sector has recorded lower-than-average GDP growth. High-tech service industries (+3.5%) saw robust expansion, but GDP in high technology manufacturing slipped 2.7%. Among the larger provinces, Quebec (+4.1%) and Ontario (+4.0%)

[1] BC Stats estimate based on data supplied by Statistics Canada

Report The Kootenay Region

Did you know...

The world's largest chocolate Easter egg stands 8.32 metres tall. Workers used 1950 kilograms of Belgian chocolate (over 50,000 bars) to construct it *Source: Ananova online news*

posted the strongest gains in 2005, while Alberta's high tech sector expanded 2.8%. The national increase was 3.6%.

Some 70,490 British Columbians worked in the high tech sector in 2005, up 2.9% from the previous year. Both manufacturing (+9.4%) and service (+1.5%) industries added to the size of their workforce. High tech employment rose 1.1% nationally, reflecting higher employment levels in Quebec (+0.9%) as well as BC. Employment was virtually unchanged in Ontario (-0.1%) but was down 1.4% in Alberta.

Data Source: BC Stats

The Economy

- **The value of building permits issued by BC municipalities fell 22.4% (*seasonally adjusted*) in February.** Planned spending on residential projects plummeted (-27.2%), and permits for non-residential projects were also down substantially (-12.6%). Abbotsford (-41.1%) posted the most significant decline among BC's census metropolitan areas (CMAs), but intentions for building projects in Vancouver (-34.4%) and Victoria (-19.3%) were also markedly lower than in January. Kelowna (+35.5%) was the only CMA to see an increase in the value of permits in February.

  Nationally, permits slipped 22.4%, pulled down by decreases in planned construction of both non-residential (-28.7%) and residential (-17.8%) buildings. BC was among the largest contributors to the Canadian decline in the residential sector. *Data Source: Statistics Canada*

- **Cariboo (-41.6%) and Nechako (-4.2%) were the only regions where building permits fell during the first two months of the year, compared to the same period in 2006.** Among the other regions, Thompson/Okanagan (+1.1%) was the only one that failed to post a double-digit increase. The biggest increase was recorded in Kootenay (+102.1%) where residential, commercial and industrial building permits were all more than double the 2006 value. Mainland/Southwest (+76.3%), Northeast (+40.8%), North Coast (+28.1%) and Vancouver Island/Coast (+26.2%) recorded solid gains. *Data Source: Statistics Canada & BC Stats*

Tourism

- **Room revenues in the province fell 3.2% (*seasonally adjusted*) in December.** A slump in Mainland/Southwest (-5.8%), which accounts for over half of all room revenue in the province, was the main reason for the decline. Revenues were also down in Northeast (-14.7%) and Nechako (-1.9%). Other regions of the province fared better, with Kootenay (+5.8%) seeing the strongest growth. *Data Source: BC Stats*

Heritage Institutions

- **Heritage institutions in BC received $157 million in operating revenues (both earned and unearned) in 2005, up from $154 million in 2004.** Non-profit institutions generated about two-thirds ($115 million) of this total. Expenses also grew, but not as much, and the industry's profit margin increased more than two percentage points, rising to 9.6%. BC's heritage institutes accounted for 15% of total Canadian revenues in 2005.

  The nation's heritage institutes (excluding nature parks and archives) received over $1 billion in revenue in 2005. History and science museums, exhibition centres, planetariums and observatories accounted for a combined 44% of total operating revenue. Art museums and galleries produced a further 24% of overall revenues as did botanical gardens, conservatories, aquariums and zoos. Another 9% was generated by historic and heritage sites.

Data Source: SC, Cat. # 87-F0002-XIE

Have a Happy Easter!

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Issue: 07-14
Apr 5, 2007

Contact: Chad Stroomer (250) 387-0377
Originally published in *Tourism Sector Monitor* Issue 07-02

The Kootenay Region

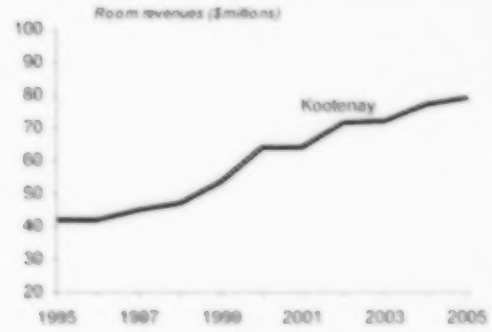
Introduction

Nestled in the south-east of the province, the Kootenay region is most famous for its natural attractions. There are no large population centres in the region, but a number of smaller communities depend on tourism including Cranbrook, Nelson and Trail.

The region is known for having a number of world-class resorts at locations such as Kimberly, Fernie, and Panorama. With an average snowfall of more than 170 centimetres during the winter, guests in the Kootenays can enjoy skiing, snow-boarding as well as snowmobiling and dog-sledding. During the warm summer months visitors can take part in activities such as cycling, hiking, mountaineering, and rafting.

Room revenues

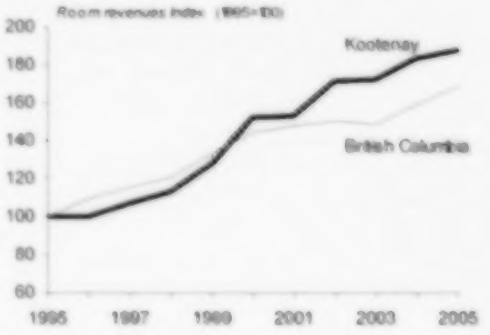
Room revenues in the Kootenay region have been rising steadily



Source: BC Stats

The Kootenay region ranks fourth among development regions in BC in terms of room revenues. In 2005, the region contributed $79 million in room revenues, 5% of the provincial total. Preliminary figures suggest that between January and November of 2006, the Kootenay region has created another $77 million.

Kootenay room revenues have outpaced the BC average since 2000

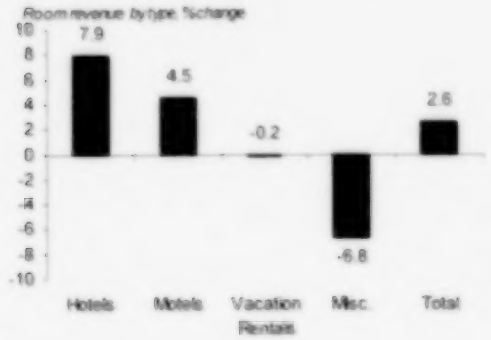


Source: BC STATS

During the eleven year period from 1995 to 2005, room revenues in the Kootenays have grown a considerable 88.2%. In comparison, the province as a whole saw receipts improve 69.1% over this eleven year span.

In 2005, hotels, the largest contributor of room revenues in the Kootenay region, brought in over $30 million, up sharply over the previous year (+7.9%). Motels, whose relative share of room revenues has slipped over the course of the past decade, experienced growth of 4.5%, while business at vacation rentals was down marginally (-0.2%). Miscellaneous accommodations, including fishing lodges, B&Bs, guide outfitters and campgrounds, saw receipts drop off considerably (-6.8%).

Hotels in Kootenay experience strong growth in revenues while miscellaneous accommodations plummet in 2005



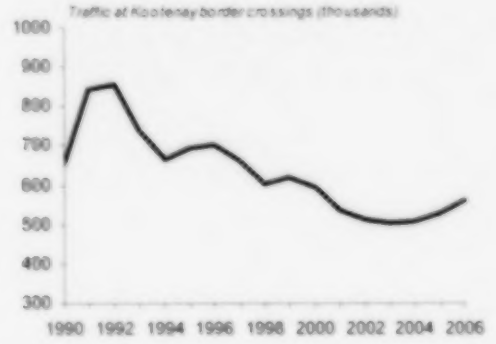
Source: BC STATS

Transportation

The Kootenays are well serviced to accommodate guests wishing to travel through the region by land. Highway 1 (Trans-Canada) and Highway 3 (Crowsnest Pass) feed into the region from the surrounding area and Alberta servicing the northern and southern portions of the region respectively. Highways 6 and 23 provide access to much of the western Kootenays while the eastern Kootenays are served by Highways 93 and 95.

The Kootenay region borders three US states: Washington, Idaho, and Montana. Travellers wishing to enter the region via those states can do so at any one of more than a half-dozen border crossing locations. Between 1992 and 2003, land traffic between the US and Canada had been dwindling, down 41.2%. Since 2004, there has been an increase in the amount of activity (+10.4%) at Kootenay border crossings.

Trans-border traffic down since early 1990s



Source: BC Stats

Two commercial airports, located at Castlegar and Cranbrook, regularly handle traffic from Vancouver and Calgary. In 2005, a total of 76,825 travellers used the Cranbrook airport, making it the tenth busiest in the province. However, traffic was down 1.1% in 2005. Smaller airports accepting chartered flights can be found in many of the surrounding communities.

Cranbrook

Adding $8.5 million in room revenues, or 11% of the total room revenues generated within the Kootenay region, Cranbrook is the region's commercial centre. Cranbrook is home to the Western Hockey League club the Kootenay Ice, entertaining local sports fans each season. For those interested in historical attractions, the Canadian Museum of Rail Travel preserves the golden age of rail of the late 1800s. Major local events include Sam Steele Days in June and the Cranbrook Pro Rodeo in August.

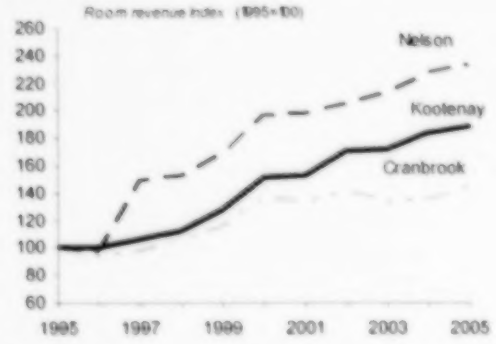
Through 2005, room revenues in Cranbrook showed strong growth (+5.9%). All accommodation types had a successful year. Motels recorded the highest growth in revenues (+6.6%), while hotels (+5.2%) and other types of accommodations (+4.3%) fared similarly well.

Nelson

With more than 350 designated heritage buildings, and one of the most vibrant arts communities in Canada, Nelson has always attracted visitors. The area's mild climate and diverse terrain are well suited for outdoor activities ranging from skiing and snowmobiling in the winter, to golfing and mountain biking in the summer.

In recent years, the city of Nelson has been booming and drawing lots of new residents. With many more conventions and conferences being held in the city, Nelson has been noticed by new visitors as well. The community is looking to attract tourism, and has been working to develop and advertise the city as a popular tourist destination. For its centennial in 1997, a waterfront pathway was developed. It was designed to help preserve the spectacular setting that draws both visitors and new residents to Nelson.

Room revenues on rise in the Kootenay region with Nelson growing rapidly



Source: BC Stats

Room receipts reflect these developments in Nelson. Revenues in Nelson have increased much more rapidly than in other parts of the Kootenay region since 1995. At the close of 2005, Nelson had contributed more than $6.6 million in room revenues, an increase of 2.6% over 2004. Hotels in Nelson saw a surge in business (+7.0%), while revenues at motels were also on the increase (+3.5%). Sales at other types of accommodations, on the other hand, were down sharply (-43.2%) in 2005 following a seven year period of very strong growth.

Trail

Along the banks of the Columbia River, Trail is probably most renowned for being the home of Teck Cominco, one of the largest zinc and lead smelting and refining operations in the world. Teck Cominco offers free guided tours of its facilities and The Interpretive Centre for those wishing to experience a part of the region's industrial heritage.

Guests can also visit the terraced homes and gardens along the streets of "little Italy", a legacy left by its Italian community that arrived in the early part of the 20th century to help with the construction of the railway.

Conclusion

The easily accessible locations, convenient transportation services, numerous national attractions and a number of high-end resorts, have put room revenues in the Kootenay region on an upward trend since 1995. A few communities have experienced a recent surge of interest. Golden, for example has grown considerably, posting overall room revenues gains of 42.7% from 2000 to 2005. The town of Fernie has seen a 63.4% growth in overall room revenues between 2000 and 2005, now accounting for 16% of revenues generated in the Kootenays. With communities such as these within the region booming, Kootenay can expect to see many more visitors in the future.

Infoline

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also on the Internet at **www.bcstats.gov.bc.ca**

BC at a glance . . .

POPULATION (thousands)	Jan 1/07	% change on one year ago
BC	4,338.1	1.3
Canada	32,777.3	1.0
GDP and INCOME (Revised Nov 8)		
(BC - at market prices)	2005	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	168,855	7.2
GDP *($ 1997 millions)*	145,501	3.7
GDP *($ 1997 per Capita)*	34,173	2.4
Personal Disposable Income *($ 1997 per Capita)*	20,983	2.4
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Jan	3,470	-0.4
Merchandise Exports - Jan	2,747	-0.4
Retail Sales - Jan	4,559	1.5
CONSUMER PRICE INDEX	% change on one year ago	12-month avg % change
(all items - Feb 2007)		
BC	2.2	1.8
Vancouver	2.8	2.1
Victoria	1.8	1.6
Canada	2.0	1.9
LABOUR FORCE (thousands)	Mar '07	% change on prev. month
(seasonally adjusted)		
Labour Force - BC	2,357	0.4
Employed - BC	2,265	0.6
Unemployed - BC	92	-2.9
		Feb '07
Unemployment Rate - BC *(percent)*	3.9	4.0
Unemployment Rate - Canada *(percent)*	6.1	6.1
INTEREST RATES (percent)	Apr 4/07	Apr 5/06
Prime Business Rate	6.00	5.50
Conventional Mortgages - 1 year	6.40	6.05
- 5 year	6.44	6.45
US/CANADA EXCHANGE RATE	Apr 4/07	Apr 5/06
(avg. noon spot rate) Cdn $	1.1584	1.1619
US $ *(reciprocal of the closing rate)*	0.8627	0.8607
AVERAGE WEEKLY WAGE RATE	Mar '07	% change on one year ago
(industrial aggregate - dollars)		
BC	743.18	3.5
Canada	735.11	1.9

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Socio-Economic Profiles & Indices

The 2006 edition of these widely monitored reports provide the most complete and up-to-date basis for measuring and comparing the social and economic dimensions of regions in the province. Released April 4.

www.bcstats.gov.bc.ca/data/sep/index.asp

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Released this week by BC STATS

- Small Business Quarterly, 4th Quarter 2006
- Labour Force Statistics, March 2007
- Earnings & Employment Trends, March 2007

Next week

- Tourism Sector Monitor, March 2007

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